

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF DAVID W. KALLAS from the decision of the Board of Equalization of Ada County for tax year 2007.) APPEAL NO. 07-A-2112
) FINAL DECISION
) AND ORDER
)

RESIDENTIAL TRIPLEX APPEAL

THIS MATTER came on for hearing October 31, 2007, in Boise, before Board Member Lyle R. Cobbs and Hearing Officer Sandra Tatom. Board Members Linda S. Pike and David E. Kinghorn participated in this decision. Appellant David W. Kallas appeared for himself. Chief Deputy Assessor Tim Tallman and Appraiser Dave Jauquet appeared for Respondent Ada County. This appeal is taken from a decision of the Ada County Board of Equalization (BOE) modifying the protest of the valuation for taxing purposes of property described as Parcel No. R8390001250.

The issue on appeal is the market value of a residential triplex.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$154,400, and the improvements' valuation is \$164,700, totaling \$319,100. The original assessment was \$340,900. At BOE, subject's assessed value was lowered to \$319,100. Appellant requests the total assessment be reduced to \$300,000.

The subject property is a 3,448 square foot triplex built in 1937 on .21 acres located in North Boise.

Appellant suggested the 2007 assessment was overstated and, therefore, hired an independent fee appraiser to value subject.

The Fee appraiser used three sales and made adjustments so they would be more similar to subject. After adjustments, the sale prices indicated a value for subject which ranged from

\$263,000 to \$313,700, or \$74.46 to \$113.75 per square foot. The appraiser used an income approach and arrived at a value of \$300,000 for subject.

Appellant maintained that the County's sales were in better locations and the structures had been upgraded.

Respondent objected to the appraisal because it reflected subject's value as of June 2007, rather than January 1, 2007, the assessment lien date. The County also mentioned the sales had excessive adjustments to make them more similar to subject. One comparable was adjusted 42%. Respondent stated the sales were not comparable to subject because of the excessive adjustments.

The County presented numerous triplex sales in the general area of subject. The sales were detailed by the County and adjustments were made for differences versus subject. After adjustments, the sale prices indicated a value for subject which ranged from \$333,484 to \$424,517 or \$97 to \$123 per square foot.

Respondent also provided nearby land sales. The lots were between .08 and .21 acres in size and sold for \$128,000 to \$251,200.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

In assessing property for tax purposes, Idaho is a market value State. Market value as defined in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or

equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Respondent offered sales to establish subject's assessed value and maintained the sales utilized were the best comparison to subject.

Appellant offered a fee appraisal to contest subject's assessed value and maintained it was the best indicator of market value.

In determining market value for tax assessments Idaho Code § 63-205(1) states:

All real, personal and operating property subject to property taxation must be assessed annually at market value for assessment purposes as of 12:01 a.m. of the first day in the year in which such property taxes are levied, except as otherwise provided.

The Board appreciates the appraisal information but also realizes the appraisal date of June 20, 2007 is six months beyond the January 1, 2007 lien date. All of the comparable sales took place in 2007.

The record indicates both parties submitted the same February 2007 sale, which indicates both parties agree to some level of comparability between this property and subject. Again, this sale took place after the lien date of January 1, 2007, and therefore little weight is given to this sale.

In reviewing the sales presented by both parties, the Board concedes the sale prices per square foot range between \$74 and \$123. Subject has an assessed value of \$92.54 per square foot. In light of the evidence presented in this matter, the Board does not find error in the assessment of subject property and affirms the decision of the Ada County Board of Equalization.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED January 31, 2008